

1904, art. 23, sec. 86. 1888, art. 23, sec. 78. 1868, ch. 471, sec. 73.
1908, ch. 240, sec. 27. 1916, ch. 596, sec. 27.

27. If a reduction of the authorized but unissued capital stock of any corporation shall have been duly authorized as in Section 24 provided, the articles of amendment shall also set forth: (a) the amount of capital stock theretofore authorized and the number and par value of the shares and, if more than one class, the amounts of each class and the number and par value of the shares of each class; (b) the amount of capital stock issued and, if more than one class, the amounts of each class; (c) the amount of the reduction of authorized but unissued stock, specifying in which class or classes, if more than one class, the reduction is to be effected and the amount of the reduction of each class; and (d) the number and par value of the shares of each class as reduced.

In the absence of express authority, a corporation in this state has no power to purchase its own shares, and the amount of the capital stock of a corporation cannot be diminished save as provided in this article. *Penninsula Trust Co. v. Johnson*, 128 Md. 539.

See notes to this section in volume 1 of the Annotated Code.

1904, art. 23, sec. 87. 1888, art. 23, sec. 79. 1870, ch. 310. 1908, ch. 240, sec. 28.
1916, ch. 596, sec. 28.

28. When by a reduction of the number and/or par value of the shares of stock of a corporation, the amount of stock issued is thereby reduced, the stock representing the difference between the amount theretofore issued and the amount of the stock issued as thereby reduced, shall be treated as authorized but unissued stock of the corporation and until the classification or classifications thereof be changed shall retain the classification or classifications obtaining before the reduction. No reduction of the amount of the capital stock outstanding shall release the liability to the corporation, or its receiver, trustee or other person winding up its affairs, of any stockholder, whose shares have not been fully paid, for the payment of its liabilities existing at the time of such reduction. If any payments be made to the stockholders representing any or all of such reduction, such stockholders shall be and remain liable to the corporation, or its receiver, trustee or other person winding up its affairs, to the extent of such payments made to them for the payment of its liabilities existing at the times of such payments. If a change in the number and/or par value of the shares of capital stock of any corporation, by which the amount of stock issued is reduced, shall have been duly authorized, as in Section 24 provided, the articles of amendment shall also set forth: (a) the amount of each class of stock theretofore authorized and the number and par value of the shares of each class; (b) the number and/or par value of the shares of each class of stock as changed by the amendment; (c) the amount of such reduction, specifying the amounts of the reductions of each class, if more than one class is reduced; and (d) the reclassifications, if any, of the stock representing the difference, if any, between the amount of stock theretofore issued and the amount of the issued stock as reduced.

See notes to section 27.